



3015 (02-09-04)

ANNUAL REPORT

OF

Name: SPRING VALLEY WATERWORKS

Principal Office: VILLAGE HALL
SPRING VALLEY, WI 54767

For the Year Ended: DECEMBER 31, 1997

**WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN**P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: SPRING VALLEY WATERWORKS**Utility Address:** VILLAGE HALL
SPRING VALLEY, WI 54767**When was utility organized?** 1/1/1900**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: LANCE J. GURNEY**Title:** VILLAGE ADMINISTRATOR**Office Address:**VILLAGE HALL
SPRING VALLEY, WI 54767**Telephone:** (715) 778 - 5635**Fax Number:****E-mail Address:**

Individual or firm, if other than utility employee, preparing this report:

Name: THOMAS G. KORTAS CPA**Title:****Office Address:** TRACEY & THOLE, S.C.502 SECOND STREET
HUDSON, WI 54016**Telephone:** (715) 386 - 2391**Fax Number:** (715) 386 - 0535**E-mail Address:**

Are records of utility audited by individuals or firms, other than utility employee? YES

Individual or firm, if other than utility employee, auditing utility records:

Name: THOMAS G. KORTAS CPA**Title:****Office Address:** TRACEY & THOLE, S.C.502 SECOND STREET
HUDSON, WI 54016**Telephone:** (715) 386 - 2391**Fax Number:** (715) 386 - 0535**E-mail Address:****Date of most recent audit report:** 2/4/1997**Period covered by most recent audit:** 1996

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: MARSHA BRUNKHORST**Title:** PRESIDENT**Office Address:**

VILLAGE HALL

SPRING VALLEY, WI 54767

Telephone: (715) 778 - 5635**Fax Number:****E-mail Address:**

Name of utility commission/committee: WATER UTILITY COMMITTEE

Names of members of utility commission/committee:

MR EUGENE ANDERSON

MR ROBERT KINSMAN

MR TERRY MILLER

Is sewer service rendered by the utility? NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.077 of the Wisconsin Statutes?** NO**Date of Ordinance:** **Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)?** NO

Provide the following information regarding the provider(s) of contract services:

Firm Name:**Contact Person:****Title:****Telephone:****Fax Number:****E-mail Address:**

Contract/Agreement beginning-ending dates:**Provide a brief description of the nature of Contract Operations being provided:**

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	126,151	125,148	1
Operating Expenses:			
Operation and Maintenance Expense (401)	39,835	47,515	2
Depreciation Expense (403)	23,976	22,782	3
Amortization Expense (404)	0		4
Taxes (408)	21,968	11,871	5
Total Operating Expenses	85,779	82,168	
Net Operating Income	40,372	42,980	
Income from Utility Plant Leased to Others (412-413)	0		6
Utility Operating Income	40,372	42,980	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0		7
Nonoperating Rental Income (418)	0		8
Interest and Dividend Income (419)	243	876	9
Miscellaneous Nonoperating Income (421)	0		10
Total Other Income	243	876	
Total Income	40,615	43,856	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0		11
Other Income Deductions (426)	0		12
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	40,615	43,856	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	24,573	27,061	13
Amortization of Debt Discount and Expense (428)	300		14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	0		16
Other Interest Expense (431)	0		17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	24,873	27,061	
Net Income	15,742	16,795	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	117,704	100,909	19
Balance Transferred from Income (433)	15,742	16,795	20
Miscellaneous Credits to Surplus (434)	0		21
Miscellaneous Debits to Surplus--Debit (435)	0		22
Appropriations of Surplus--Debit (436)	0		23
Appropriations of Income to Municipal Funds--Debit (439)	0		24
Total Unappropriated Earned Surplus End of Year (216)	133,446	117,704	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Nonoperating Rental Income (418):		
NONE		3
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
Interest on investments	243	4
Total (Acct. 419):	243	
Miscellaneous Nonoperating Income (421):		
NONE		5
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		6
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		7
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		8
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		9
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		10
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		11
Total (Acct. 439)--Debit:	0	

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	126,151	0	0	0	126,151	1
Less: interdepartmental sales	0		0		0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	126,151	0	0	0	126,151	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,888,429	1,698,223	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	107,469	90,449	2
Net Utility Plant	1,780,960	1,607,774	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0		5
Other Investments (124)	0		6
Special Funds (125)	0	20,381	7
Total Other Property and Investments	0	20,381	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	(2,701)	(8,221)	8
Temporary Cash Investments (132)		2,432	9
Notes Receivable (141)	0		10
Customer Accounts Receivable (142)	19,452	20,939	11
Other Accounts Receivable (143)	0		12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	6,590	5,339	14
Materials and Supplies (150)	3,229	2,869	15
Prepayments (165)	0	948	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	26,570	24,306	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	2,729		18
Extraordinary Property Losses (182)	0		19
Other Deferred Debits (183)	0		20
Total Deferred Debits	2,729	0	
Total Assets and Other Debits	1,810,259	1,652,461	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	127,247	42,075	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	133,446	117,704	23
Total Proprietary Capital	260,693	159,779	
LONG-TERM DEBT			
Bonds (221)			24
Advances from Municipality (223)	0		25
Other long-Term Debt (224)	461,942	490,340	26
Total Long-Term Debt	461,942	490,340	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0		27
Accounts Payable (232)	1,014	2,910	28
Payables to Municipality (233)	0		29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	11,898	13,474	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	12,912	16,384	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0		34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0		36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	1,074,712	985,958	38
Total Liabilities and Other Credits	1,810,259	1,652,461	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (100)	1,888,429	0	0	0	1
Utility Plant Purchased or Sold (391)					2
Utility Plant in Process of Reclassification (392)					3
Utility Plant Leased to Others (393)					4
Property Held for Future Use (394)					5
Construction Work in Progress (395)					6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	1,888,429	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	107,469	0	0	0	9
Total Accumulated Provision	107,469	0	0	0	
Net Utility Plant	1,780,960	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

Depreciation Accruals (Credits) during the year:

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year	90,449				90,449	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	23,976				23,976	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	476				476	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	24,452	0	0	0	24,452	13
Debits during year						14
Book cost of plant retired	7,432				7,432	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	7,432	0	0	0	7,432	19
Balance End of Year	107,469	0	0	0	107,469	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	1.37%					22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant				0	1
Other (specify):					
NONE				0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)				0	3
Net Nonutility Property	0	0	0	0	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)
Balance first of year	1
Additions:	
Provision for uncollectibles during year	2
Collection of accounts previously written off: Utility Customers	3
Collection of accounts previously written off: Others	4
Total Additions	<u>0</u>
Deductions:	
Accounts written off during the year: Utility Customers	5
Accounts written off during the year: Others	6
Total accounts written off	<u>0</u>
Balance end of year	<u><u>0</u></u>

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)
Electric Utility						
Fuel for generation					0	1
Other					0	2
Total Electric Utility					<u>0</u>	<u>0</u>

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	3,229	2,869	2
Sewer utility			3
Gas utility			4
Merchandise			5
Other materials & supplies			6
Total Materials and Supplies	<u>3,229</u>	<u>2,869</u>	

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
\$235,000 Bond Anticipation Notes	300	428	2,729	1
Total			<u><u>2,729</u></u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u><u>0</u></u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	42,075	1
Changes during year (explain):		
Contribution for plant in TID #2	85,172	2
Balance end of year	127,247	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
-------------------------------------	----------------------------------	--	----------------------------------	---

NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Other Long-Term Debt (224)					
\$235,000 Bond Anticipation Notes	09/15/1997	09/01/2000	5.00%	235,000	1
\$244,439 State Trust Fund Loan	06/09/1993	03/15/2003	5.00%	174,568	2
\$27,228 State Trust Fund Loan	05/05/1993	03/15/2003	5.00%	17,780	3
\$38,928 State Trust Fund Loan	06/30/1993	03/15/2002	5.00%	23,382	4
Special Assessments Payable	10/01/1992	10/01/2032	6.00%	4,936	5
\$15,000 State Trust Fund Loan	06/15/1994	03/15/1999	4.00%	6,276	6
Total for Account 224				461,942	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year		1
Accruals:		
Charged water department expense	21,968	2
Charged electric department expense	160	3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	22,128	
Taxes paid during year:		
County, state and local taxes	20,890	6
Social Security taxes	1,070	7
PSC Remainder Assessment	168	8
Other (explain):		
NONE		9
Total payments and other debits	22,128	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
 2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE				0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
NONE				0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
\$27,228 State Trust Fund Loan	802	915	1,013	704	3
\$244,439 State Trust Fund Loan	7,878	8,983	9,951	6,910	4
\$38,928 State Trust Fund Loan	1,085	1,211	1,370	926	5
\$15,000 State Trust Fund Loan	274	259	347	186	6
\$229,000 Bond Anticipation Notes	3,435	9,722	13,157	0	7
\$235,000 Bond Anticipation Notes		3,172		3,172	8
Special Assessments Payable		311	311	0	9
Subtotal	13,474	24,573	26,149	11,898	
Notes Payable (231)					
NONE				0	10
Subtotal	0	0	0	0	
Total	13,474	24,573	26,149	11,898	

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	985,958					985,958	1
Add credits during year:							
For Services	2,898					2,898	2
For Mains	78,767					78,767	3
Other (specify):							
Hydrants	7,089					7,089	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	1,074,712	0	0	0	0	1,074,712	
Amount of federal and state grants in aid received for utility construction included in End of Year totals	812,952					812,952	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	19,452	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	19,452	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
1997 tax roll items	6,590	12
Total (Acct. 145):	6,590	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE		15
Total (Acct. 183):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)
Payables to Municipality (233):	
NONE	16
Total (Acct. 233):	0
Other Deferred Credits (253):	
NONE	17
Total (Acct. 253):	0

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	1,793,326	0	0	0	1,793,326	1
Materials and Supplies	3,049	0	0	0	3,049	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	98,959	0	0	0	98,959	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	1,030,335	0	0	0	1,030,335	6
Other (specify):						
NONE					0	7
Average Net Rate Base	667,081	0	0	0	667,081	
Net Operating Income	40,372	0	0	0	40,372	8
Net Operating Income as a percent of						
Average Net Rate Base	6.05%	N/A	N/A	N/A	6.05%	

RETURN ON PROPRIETARY CAPITAL COMPUTATION

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
Average Proprietary Capital		
Capital Paid in by Municipality	84,661	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	125,575	3
Other (Specify):		
NONE		4
Total Average Proprietary Capital	210,236	
Net Income		
Net Income	15,742	5
Percent Return on Proprietary Capital	7.49%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

NONE

2. Leaseholder changes.

NONE

3. Extensions of service.

NONE

4. Estimated changes in revenues due to rate changes.

NONE

5. Obligations incurred or assumed, excluding commercial paper.

NONE

6. Formal proceedings with the Public Service Commission.

NONE

7. Any additional matters.

NONE

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

October 16, 1998

Mr. Lance Gurney, Village Administrator
Spring Valley Waterworks
P.O. Box 276
Spring Valley, WI 54767-0276

1997 Analytical Review DWCCA-5650-PJL

Dear Mr. Gurney:

The Public Service Commission (Commission) is in the process of completing an analytical review of your utility's 1997 annual report. The purposes of an analytical review are to detect possible reporting or accounting related errors and to identify significant fluctuations from established trends in reported data not sufficiently explained in the annual report. It is our hope that our review will supply information that will enable us to better provide guidance to your utility regarding proper utility accounting and the preparation of future annual reports. In order to complete this review, we request the following information:

1. A revised composite depreciation rate of 1.57 percent that should have been made effective on January 1, 1997, was authorized in our letter dated September 26, 1996, with regard to analytical review of the 1995 annual report. The revised rate of 1.57 percent was not used during 1997, rather the old rate of 1.37 percent was used as reported on page F-7, line 22. Please confirm that the revised composite depreciation rate of 1.57 percent will be used beginning in 1998.
2. As directed in the headnotes for the Computation of Tax Equivalent schedule on page W-7, please provide the date the municipality authorized the lower tax equivalent amount.
3. During our review we noted that you report 13 one inch services as added during the year in column (d) of the Water Services schedule on page W-15. In the footnotes for page W-15 you noted that customers were charged for new services in accordance with PSC regulations. Given that your CZ-1 rate schedule authorizes a charge of \$400.00 for a one inch service, please explain how you arrived at the figure of \$2,898 reported as contributions in aid of construction for services in column (b) of Account 271 on page F-17.
4. During our review we noted that in the 1996 annual report you reported a first of year and end of year amount of \$5,160 in Account 320, Land and land rights on line 31 of the Water Utility Plant In Service schedule on pages W-4 and W-5. However, in 1997 those dollars have been moved to Account 321, Structures and improvements. Please explain and provide any related annual report corrections.

We appreciate your cooperation in providing the above information. These recommendations are intended to provide accounting assistance and should not be construed as criticisms of utility personnel. If you have any questions, please feel free to contact me at (608) 267-9198. Please respond within 30

FINANCIAL SECTION FOOTNOTES

days of this letter. If we have no questions regarding your response, you can consider the review closed.

Sincerely,

Peter J. Leege
Financial Specialist
Division of Water, Compliance, and Consumer Affairs

pjl:W:\COMPL\LEEGE\5650 ar

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	124,315	1
Total Sales of Water	124,315	
Other Operating Revenues		
Forfeited Discounts (470)	1,201	2
Other Water Revenues (474)	635	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	1,836	
Total Operating Revenues	126,151	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	26,124	5
General Operating Expenses (680-690)	13,711	6
Total Operation and Maintenance Expenses	39,835	
Other Operating Expenses		
Depreciation Expense (403)	23,976	7
Amortization Expense (404)		8
Taxes (408)	21,968	9
Total Other Operating Expenses	45,944	
Total Operating Expenses	85,779	
NET OPERATING INCOME	40,372	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Bulk sales should be account 460.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential	2	20	265	1
Commercial	2	40	172	2
Industrial				3
Total Unmetered Sales to General Customers (460)	4	60	437	
Metered Sales to General Customers (461)				
Residential	323	17,963	43,949	4
Commercial	67	10,533	15,968	5
Industrial	7	405	730	6
Total Metered Sales to General Customers (461)	397	28,901	60,647	
Private Fire Protection Service (462)	1		300	7
Public Fire Protection Service (463)	1		53,389	8
Other Sales to Public Authorities (464)	14	6,018	9,542	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	417	34,979	124,315	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1)	53,389	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	53,389	
Forfeited Discounts (470):		
Customer late payment charges	1,201	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	1,201	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	604	7
Other (specify):		
Miscellaneous	31	8
Total Other Water Revenues (474)	635	
Amortization of Construction Grants (475):		
NONE		9
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
PLANT OPERATION AND MAINTENANCE EXPENSES		
Salaries and Wages (600)	13,987	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	4,868	3
Chemicals (630)	3,624	4
Supplies and Expenses (640)	2,658	5
Repairs of Water Plant (650)	975	6
Transportation Expenses (660)	12	7
Total Plant Operation and Maintenance Expenses	26,124	
GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	4,125	8
Office Supplies and Expenses (681)	363	9
Outside Services Employed (682)	2,977	10
Insurance Expense (684)	4,038	11
Employees Pensions and Benefits (686)	2,033	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)	175	14
Uncollectible Accounts (690)		15
Total General Operating Expenses	13,711	
Total Operation and Maintenance Expenses	39,835	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Property Tax Equivalent		20,890	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		160	2
Net property tax equivalent		20,730	
Social Security		1,070	3
PSC Remainder Assessment		168	4
Other (specify): NONE			5
Total tax expense		21,968	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.069(1)(c). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Pierce				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.193725				3
County tax rate	mills		5.137844				4
Local tax rate	mills		4.512969				5
School tax rate	mills		12.893921				6
Voc. school tax rate	mills		1.682706				7
Other tax rate - Local	mills						8
Other tax rate - Non-Local	mills						9
Total tax rate	mills		24.421165				10
Less: state credit	mills		2.095295				11
Net tax rate	mills		22.325870				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		4.512969				14
Combined School Tax Rate	mills		14.576627				15
Other Tax Rate - Local	mills						16
Total Local & School Tax	mills		19.089596				17
Total Tax Rate	mills		24.421165				18
Ratio of Local and School Tax to Total	dec.		0.781682				19
Total tax net of state credit	mills		22.325870				20
Net Local and School Tax Rate	mills		17.451741				21
Utility Plant, Jan. 1	\$	1,698,223	1,698,223				22
Materials & Supplies	\$	2,869	2,869				23
Subtotal	\$	1,701,092	1,701,092				24
Less: Plant Outside Limits	\$	0					25
Taxable Assets	\$	1,701,092	1,701,092				26
Assessment Ratio	dec.		1.033060				27
Assessed Value	\$	1,757,330	1,757,330				28
Net Local & School Rate	mills		17.451741				29
Tax Equiv. Computed for Current Year	\$	30,668	30,668				30
Tax Equivalent per 1994 PSC Report	\$	10,701					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$	20,890					32
Tax equiv. for current year (see note 6)	\$	20,890					34

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)			1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	700		4
Structures and Improvements (311)			5
Collecting and Impounding Reservoirs (312)			6
Lake, River and Other Intakes (313)			7
Wells and Springs (314)	5,338		8
Infiltration Galleries and Tunnels (315)			9
Supply Mains (316)	1,404		10
Other Water Source Plant (317)			11
Total Source of Supply Plant	7,442	0	
PUMPING PLANT			
Land and Land Rights (320)			12
Structures and Improvements (321)	5,160		13
Boiler Plant Equipment (322)			14
Other Power Production Equipment (323)			15
Steam Pumping Equipment (324)			16
Electric Pumping Equipment (325)	40,865		17
Diesel Pumping Equipment (326)			18
Hydraulic Pumping Equipment (327)			19
Other Pumping Equipment (328)		3,750	20
Total Pumping Plant	46,025	3,750	
WATER TREATMENT PLANT			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)	3,010		23
Total Water Treatment Plant	3,010	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	7,771		24
Structures and Improvements (341)	36,929		25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			700	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			5,338	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			1,404	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	7,442	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			5,160	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			40,865	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			3,750	20
Total Pumping Plant	0	0	49,775	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			3,010	23
Total Water Treatment Plant	0	0	3,010	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			7,771	24
Structures and Improvements (341)			36,929	25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	273,310		26
Transmission and Distribution Mains (343)	1,051,708	166,603	27
Fire Mains (344)			28
Services (345)	118,916	6,799	29
Meters (346)	17,780	2,422	30
Hydrants (348)	132,849	18,064	31
Other Transmission and Distribution Plant (349)			32
Total Transmission and Distribution Plant	1,639,263	193,888	
GENERAL PLANT			
Land and Land Rights (370)			33
Structures and Improvements (371)			34
Office Furniture and Equipment (372)			35
Computer Equipment (372.1)	1,665		36
Transportation Equipment (373)			37
Other General Equipment (379)	818		38
Other Tangible Property (390)			39
Total General Plant	2,483	0	
Total utility plant in service directly assignable	1,698,223	197,638	
Common Utility Plant Allocated to Water Department			40
Total utility plant in service	1,698,223	197,638	

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT				
Distribution Reservoirs and Standpipes (342)			273,310	26
Transmission and Distribution Mains (343)	5,541		1,212,770	27
Fire Mains (344)			0	28
Services (345)	1,811		123,904	29
Meters (346)	80		20,122	30
Hydrants (348)			150,913	31
Other Transmission and Distribution Plant (349)			0	32
Total Transmission and Distribution Plant	7,432	0	1,825,719	
GENERAL PLANT				
Land and Land Rights (370)			0	33
Structures and Improvements (371)			0	34
Office Furniture and Equipment (372)			0	35
Computer Equipment (372.1)			1,665	36
Transportation Equipment (373)			0	37
Other General Equipment (379)			818	38
Other Tangible Property (390)			0	39
Total General Plant	0	0	2,483	
Total utility plant in service directly assignable	7,432	0	1,888,429	
Common Utility Plant Allocated to Water Department			0	40
Total utility plant in service	7,432	0	1,888,429	

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			3,684	3,684	1
February			3,151	3,151	2
March			3,319	3,319	3
April			2,984	2,984	4
May			4,066	4,066	5
June			3,914	3,914	6
July			3,791	3,791	7
August			3,623	3,623	8
September			3,603	3,603	9
October			3,625	3,625	10
November			3,174	3,174	11
December			3,387	3,387	12
Total for year	0	0	42,321	42,321	
Less: Measured or estimated water used in main flushing and water treatment during year				1,074	13
Less: Other utility use					14
Other utility use explanation:					15
Water pumped into distribution system				41,247	16
Less: Water sold				34,979	17
Losses and unaccounted for				6,268	18
Percent unaccounted for to the nearest whole percent (%)				15%	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					20
Maximum gallons pumped by all methods in any one day during reporting year				346	21
Date of maximum: 5/29/1997					22
Cause of maximum:					23
Filling of swimming pool					
Minimum gallons pumped by all methods in any one day during reporting year				57	24
Date of minimum: 4/15/1997					25
Total KWH used for pumping for the year				53,707	26
If water is purchased: Vendor Name:					27
Point of Delivery:					28

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
SUBMERSIBLE PUMP 6" CASING	2	120	6	28,800	Yes	1
DEEP WELL TURBINE	3	377	12	29,520	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	NO. 2	NO. 3		1
Location	NO. 2 WELL	WELL NO. 3		2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	FRANKLIN	CRANE		5
Year Installed	1991	1993		6
Type	SUBMERSIBLE	VERTICAL TURBINE		7
Actual Capacity (gpm)	210	220		8
Pump Motor or Standby Engine Mfr	FRANKLIN	GENERAL ELECTRIC.		10
Year Installed	1991	1993		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	20	20		13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				24
Horsepower				25
				26

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	NO. 2	NO. 3	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R	ET	4
			5
Year constructed	1954	1993	6
			7
Primary material (earthen, steel, concrete, other)	CONCRETE	STEEL	8
			9
Elevation difference in feet (See Headnote 3.)	15	150	10
Total capacity in gallons	65,000	100,000	11
WATER TREATMENT PLANT			12
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID	LIQUID	13
			14
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE	WELLHOUSE	15
			16
Filters, type (gravity, pressure, other, none)	NONE	NONE	17
			18
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.5000	0.5000	19
			20
Is a corrosion control chemical used (yes, no)?	N	N	21
			22
Is water fluoridated (yes, no)?	Y	Y	23
			24
			25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet							
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)
M	D	1.500	300				300
P	D	1.750	134				134
M	D	2.000	440		330		110
M	D	3.000	243				243
M	D	4.000	200				200
M	D	6.000	19,855	662			20,517
P	D	6.000	5,003				5,003
M	D	8.000	11,314	1,619			12,933
P	D	8.000	5,261				5,261
P	D	10.000	4,216				4,216
M	D	12.000	0	2,336			2,336
Total Within Municipality			46,966	4,617	330	0	51,253
Total Utility			46,966	4,617	330	0	51,253

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	342				342		1
M	1.000	42	13	8		47		2
M	1.500	2				2		3
P	1.500	1				1		4
M	2.000	3				3		5
M	4.000	3				3		6
M	6.000	1				1		7
Total Utility		394	13	8	0	399	0	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	397	2	2		397	40	1
0.750	1				1		2
1.000	5	4			9		3
1.500	4				4		4
2.000	8				8		5
3.000	0	1			1		6
Total:	415	7	2	0	420	40	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	318	58	7	6	5	3	397	1
0.750				1			1	2
1.000		9					9	3
1.500		3		1			4	4
2.000		1		6		1	8	5
3.000				1			1	6
Total:	318	71	7	15	5	4	420	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality					0	1
Within Municipality	93	8			101	2
Total Fire Hydrants	93	8	0	0	101	
Flushing Hydrants						
	1				1	3
Total Flushing Hydrants	1	0	0	0	1	

Wis. Admin. Code § 185.87 requires that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Report the number operated during the year

Number of hydrants operated during year:	101
Number of distribution system valves end of year:	180
Number of distribution valves operated during year:	162

WATER OPERATING SECTION FOOTNOTES

Property Tax Equivalent (Water) (Page W-07)

Municipality authorized tax equivalent of \$20,890 per annual budget.

Water Mains (Page W-15)

Main extensions financed by utility, customers and TID #2.

Water Services (Page W-16)

Customers charged for new services in accordance with PSC regulations.
